



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064**

February 12, 2001

Gregg R. Overbeck, Senior Vice
President, Nuclear
Arizona Public Service Company
P.O. Box 52034
Phoenix, Arizona 85072-2034

**SUBJECT: PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3 -
NRC INITIAL OPERATOR LICENSING EXAMINATION 50-528; 50-529;
50-530/01-301**

Dear Mr.Overbeck:

In an onsite meeting on February 1, 2001, between Messrs. T. F. Stetka, Chief Examiner, and P. Capehart, Nuclear Training Instructor, and W. Potter, Simulator Support Section Leader, and a telephone conversation on February 8, 2001, between Messrs. T. F. Stetka, Chief Examiner, and P. Capehart, Nuclear Training Instructor, arrangements were made for the administration of licensing examinations at your Palo Verde Nuclear Generating Station, Units 1, 2, and 3, during the week of July 23, 2001.

As agreed during the telephone conversation, your staff will prepare the examinations based on the guidelines in Revision 8, Supplement 1, of NUREG-1021, "Operator Licensing Examination Standards for Power Reactors." The NRC regional office will discuss with your staff any changes that might be necessary before the examinations are administered.

To meet the above schedule, it will be necessary for your staff to furnish the examination outlines by March 26, 2001. The written examinations, operating tests, and the supporting reference materials identified in Attachment 2 of ES-201 will be due by May 24, 2001. Pursuant to 10 CFR 55.40(b)(3), an authorized representative of the facility licensee shall approve the outlines, examinations, and tests before they are submitted to the NRC for review and approval. All materials shall be complete and ready-to-use. Any delay in receiving the required examination and reference materials, or the submittal of inadequate or incomplete materials, may cause the examinations to be rescheduled. Additionally, an onsite validation of the examination material will be performed during the week of June 18, 2001. Sufficient staff resources and the simulator should be made available for the examination validation.

In order to conduct the requested written examinations and operating tests, it will be necessary for your staff to provide adequate space and accommodations in accordance with ES-402, and to make the simulation facility available on the dates noted above. In accordance with ES-302, your staff should retain the original simulator performance data (e.g., system pressures, temperatures, and levels) generated during the dynamic operating tests until the examination results are final.

Appendix E of NUREG-1021 contains a number of NRC policies and guidelines that will be in effect while the written examinations and operating tests are being administered.

To permit timely NRC review and evaluation, your staff should submit preliminary reactor operator and senior reactor operator license applications (Office of Management and Budget (OMB) approval number 3150-0090), medical certifications (OMB approval number 3150-0024), and waiver requests (if any)(OMB approval number 3150-0090) at least 30 days before the first examination date, or no later than June 22, 2001. If the applications are not received at least 30 days before the examination date, a postponement may be necessary. Signed applications certifying that all training has been completed should be submitted at least 14 days before the first examination date, or no later than July 9, 2001.

This letter contains information collections that are subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.). These information collections were approved by the Office of Management and Budget, approval number 3150-0018, which expires on April 30, 2003. The public reporting burden for this collection of information is estimated to average 500 hours per response, including the time for reviewing instructions, gathering and maintaining the data needed, writing the examinations, and completing and reviewing the collection of information. Send comments on any aspect of this collection of information, including suggestions for reducing the burden, to the Information and Records Management Branch (T-6 F33), U.S. Nuclear Regulatory Commission, Washington, DC 20555-001, or by Internet electronic mail at BJ51@NRC.GOV; and to the Desk Officer, Office of Information and Regulatory Affairs, NEOB-10202, (3150-0018), Office of Management and Budget, Washington, DC 20503.

The NRC may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Record (PARS) component of the NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

Thank you for your cooperation in this matter. Messrs. Capehart and Potter have been advised of the policies and guidelines referenced in this letter. If you have any questions regarding the NRC's examination procedures and guidelines, please contact Mr. Tom Stetka at 817-860-8247, or myself at 817-860-8159.

Sincerely,

/RA/

John L. Pellet, Chief
Operations Branch
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